

SASKATCHEWAN LACROSSE ASSOCIATION INC.
FINANCIAL STATEMENTS
OCTOBER 31, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of
Saskatchewan Lacrosse Association Inc.

Qualified Opinion

I have audited the accompanying financial statements of Saskatchewan Lacrosse Association Inc. (the Entity), which comprise the statement of financial position as at October 31, 2022 and the statements of operations, statement of net assets and statement of cash flows for the the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, except for the effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Saskatchewan Lacrosse Association Inc. as at October 31, 2022 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many non-profit organizations, Saskatchewan Lacrosse Association Inc. derives part of its revenue from membership fees, donations and other fundraising activities, the completeness and classification of which are not susceptible to satisfactory audit verification. Accordingly my verification of these transactions was limited to accounting for the amounts recorded in the records of the Association and I was not able to determine whether any adjustments might be necessary to the revenues, statement of operations, assets and net assets.

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted

auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Regina, Saskatchewan
January 30, 2023



Marcia Herback
CPA, CA

SASKATCHEWAN LACROSSE ASSOCIATION INC.
STATEMENT OF FINANCIAL POSITION
AS AT OCTOBER 31, 2022
(with comparative figures for 2021)

	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 337,814	\$ 403,218
Accounts receivable	283,309	73,208
Inventory	38,810	4,557
Prepaid expenses	<u>22,630</u>	<u>49,191</u>
	682,563	530,174
Invested in Sport Legacy Fund (Note 3)	53,563	49,765
Tangible capital assets (Note 4)	<u>2,767</u>	<u>1,808</u>
	<u><u>\$ 738,893</u></u>	<u><u>\$ 581,747</u></u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 285,536	\$ 126,592
Team refundable deposits	2,400	2,400
Deferred revenue (Note 5)	<u>-</u>	<u>25,671</u>
	<u>287,936</u>	<u>154,663</u>
Long-term liabilities		
Deferred Sport Legacy Fund (Note 3)	53,563	49,765
Loan payable (Note 6)	<u>30,000</u>	<u>30,000</u>
	<u>83,563</u>	<u>79,765</u>
	<u>371,499</u>	<u>234,428</u>
NET ASSETS		
Invested in tangible capital assets	2,767	1,808
Appropriated net assets (Note 7)	31,136	28,339
Unrestricted net assets	<u>333,491</u>	<u>317,172</u>
	<u>367,394</u>	<u>347,319</u>
	<u><u>\$ 738,893</u></u>	<u><u>\$ 581,747</u></u>

See accompanying notes

Approved on Behalf of the Board


 Jody Schmelzer (Jan 31, 2023 16:25 CST) Director


 S. [unclear] (Jan 31, 2023 16:38 CST) Director

SASKATCHEWAN LACROSSE ASSOCIATION INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED OCTOBER 31, 2022
(with comparative figures for 2021)

	2022	2021
Revenue		
Saskatchewan Lotteries Trust Fund, Sport Division (Schedule 1)	\$ 213,400	\$ 216,200
Self help (Schedule 2)	<u>839,039</u>	<u>324,066</u>
	<u>1,052,439</u>	<u>540,266</u>
Expenditure		
Administration (Schedule 3)	161,418	157,699
Capacity/Interaction (Schedule 4)	58,029	54,693
Participation (Schedule 5)	159,133	178,533
Excellence (Schedule 6)	492,849	1,374
Membership Assistance Program (Schedule 7)	62,801	65,610
Categorical and other expenses (Schedule 8)	<u>98,134</u>	<u>45,985</u>
	<u>1,032,364</u>	<u>503,894</u>
Excess of revenues over expenditures	<u>\$ 20,075</u>	<u>\$ 36,372</u>

See accompanying notes

SASKATCHEWAN LACROSSE ASSOCIATION INC.
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED OCTOBER 31, 2022
(with comparative figures for 2021)

		Invested in Tangible Capital Assets	Internally Restricted Assets	<u>2022</u>	<u>2021</u>
Net Assets					
Balance, beginning of year	\$ 317,172	1,808	28,339	\$ 347,319	\$ 310,947
Excess (deficiency) of revenues over expenditures	19,113	(1,835)	2,797	20,075	36,372
Interfund transfers (Note 7)	<u>(2,794)</u>	<u>2,794</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 333,491</u>	<u>2,767</u>	<u>31,136</u>	<u>\$ 367,394</u>	<u>\$ 347,319</u>

See accompanying notes

SASKATCHEWAN LACROSSE ASSOCIATION INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED OCTOBER 31, 2022
(with comparative figures for 2021)

	2022	2021
Operating activities		
Excess of revenues over expenditures	\$ 20,075	\$ 36,372
Items not involving an outlay (receipt) of cash		
Amortization	<u>1,835</u>	<u>904</u>
	21,910	37,276
Net change in non-cash operating working capital balances		
Accounts receivable	(210,101)	54,824
Invested in Sport Legacy Fund	(3,798)	(3,613)
Prepaid expenses	26,561	35,325
Inventory	(34,253)	8,701
Accounts payable and accrued liabilities	158,944	5,969
Deferred Sport Legacy Fund	3,798	3,613
Deferred revenue	<u>(25,671)</u>	<u>(17,580)</u>
Cash provided by (used in) operating activities	<u>(62,610)</u>	<u>124,515</u>
Investing activities		
Purchase of capital assets	<u>(2,794)</u>	<u>(2,712)</u>
Financing activities		
Increase in loans payable	<u>-</u>	<u>30,000</u>
Increase (decrease) in cash	(65,404)	151,803
Cash position, beginning of year	<u>403,218</u>	<u>251,415</u>
Cash position, end of year	<u>\$ 337,814</u>	<u>\$ 403,218</u>

See accompanying notes

**SASKATCHEWAN LACROSSE ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2022**

1. Status and nature of activities

Saskatchewan Lacrosse Association Inc. ("the Association") is the provincial sport governing body dedicated to the promotion of lacrosse for all and the development of competitive excellence. The Association is incorporated under the Non-Profit Corporations Act of Saskatchewan. Under present legislation, no income taxes are payable on the reported income of such operations.

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

Tangible capital assets

Tangible capital assets are initially recorded at cost. Amortization is provided for using the straight-line method over the estimated useful lives of the assets at the following annual rates:

Computer hardware	3 years
Computer software	3 years
Equipment	3 years

Revenue recognition

Saskatchewan Lacrosse Association Inc. follows the restricted fund method of accounting for contributions.

Grants from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation are received out of the net proceeds of lottery ticket sales in Saskatchewan. These grants have been recorded as revenue by the Association as approved by Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation. Accordingly, any amounts not received by year end are shown as grant receivable and any amounts received relating to the next fiscal period are shown as deferred grant revenue.

Fees, meets and fundraising revenue are recognized in the year when the various activities are held, if the amount to be received can be reasonably estimated and collection is reasonably assured. Interest income is recorded in the year earned.

Financial instruments

The Saskatchewan Lacrosse Association Inc. initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash and cash equivalents and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.

Management estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

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SASKATCHEWAN LACROSSE ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2022

3. Sport Legacy Fund

The funds on deposit and the offsetting deferred revenue from the Sport Legacy Fund consists of donations based on various programs and top-up contributions made by Sask Sport Inc. To qualify for the additional top-up contributions made by Sask Sport Inc, the Association is required to leave the original amount of donation in the Sport Legacy Fund for a minimum of 5 years.

4. Tangible capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2022 Net Book Value</u>	<u>2021 Net Book Value</u>
Computer hardware	\$ 21,851	19,084	\$ 2,767	\$ 1,808
Computer software	729	729	-	-
Equipment	8,484	8,484	-	-
	<u>\$ 31,064</u>	<u>28,297</u>	<u>\$ 2,767</u>	<u>\$ 1,808</u>

5. Deferred revenue

During the year, Saskatchewan Lacrosse Association Inc. received \$nil (2021 - \$nil) from the Saskatchewan Lotteries Trust Fund for expenses which will occur in the following fiscal year. The remaining deferred funds consist of the following:

	<u>2022</u>	<u>2021</u>
Indigenous Sport Enhancement Program (ISEP)	\$ -	\$ 25,671

6. Loan payable

The Association applied for and received a \$40,000 CEBA loan in the 2020/2021 fiscal year. The loan is guaranteed by the Government of Canada to provide capital to organizations to see them through the current challenges and better position them to return to providing services and creating employment. The loan is unsecured. The loan is interest free to December 31, 2023 at which time the loan will be converted to a loan repayable over two years with a 5% interest rate. The loan is expected to be repaid by December 31, 2023, and as such, the forgivable portion of \$10,000 was recognized as a government revenue in the year.

7. Appropriated net assets

The Board of Directors of Saskatchewan Lacrosse Association Inc. has established a Box Lacrosse Contingency Fund and a Field Lacrosse Contingency Fund for the purpose of accumulating funds for the future development in these areas. A fee of one dollar per player is assessed annually as a contribution towards the fund.

During the year \$1,968 (2021 - \$1,544) was contributed to the Box Lacrosse Contingency Fund and \$1,480 (2021 - \$2,167) was contributed to the Field Lacrosse Contingency Fund. The Field Lacrosse Contingency Fund had expenses of \$651 (2021 - \$nil) and had an ending balance of \$12,307 (2021 - \$11,478). Box Lacrosse Contingency Fund had expenses of \$nil (2021 - \$nil) and had an ending balance of \$18,829 (2021 - \$16,861).

SASKATCHEWAN LACROSSE ASSOCIATION INC.
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2022

8. Economic dependence

Saskatchewan Lacrosse Association Inc. receives a significant portion of its revenue from grants received from Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation. As a result, the Association is dependent upon the continuance of these grants to maintain operations at their current level.

9. Financial instruments

Saskatchewan Lacrosse Association Inc. is exposed to various risks through its financial instruments. The following analysis provides a measure of the Saskatchewan Lacrosse Association Inc.'s exposure and concentrations at October 31, 2022:

Credit risk

Credit risk arises from the potential that a party may default on their financial obligations, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Association could incur a financial loss. The Association is exposed to credit risk with respect to cash and cash equivalents and accounts receivable. The Association manages its credit risk by placing cash with major financial institutions. Credit risk for accounts receivable is managed by the credit quality and diverse debtor base and creating an allowance for bad debts where applicable.

Liquidity risk

Liquidity risk is the risk that the Association may not be able to meet a demand for cash or fund its obligations as they come due or not being able to liquidate assets in a timely manner at a reasonable price. The Association is exposed to liquidity risk with respect to its accounts payable and accrued liabilities but manages its liquidity risk by holding assets that can be readily converted into cash.

Interest rate risk

Interest rate risk is a type of market risk that refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates. The Association is exposed to interest rate risk with respect to its cash and cash equivalents and its effect on interest income. Fluctuations in interest rates do not have a significant effect on cash due to the fact that interest income is not a major percentage of total revenue.

10. Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

11. Significant event

On March 11, 2020, the World Health Organization declared a global pandemic for the COVID-19 virus. The Organization is following health advisories and mandatory requirements from local, provincial and national health and government organizations. The future financial and operations impact on the Organization, if any, is unknown at this time.

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SASKATCHEWAN LACROSSE ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2022
(with comparative figures for 2021)

	2022	2021
Saskatchewan Lotteries Trust Fund, Sport Division		
		Schedule 1
Annual funding	\$ 150,600	\$ 150,600
Membership assistance program	<u>62,800</u>	<u>65,600</u>
	<u>\$ 213,400</u>	<u>\$ 216,200</u>
	Self help	Schedule 2
Internal		
Competition and clinic fees	\$ 85,353	\$ 13,640
Membership fees and assessments	137,163	112,169
Team/Athlete fees	344,904	-
External		
Donations	-	2,500
Fundraising		
Fundraising and SLA/Team Sask Sponsorships	207,490	955
Team Sask 50/50 Revenue	22,133	-
Interest	1,413	1,655
Other grants		
CEBA Loan Forgiveness	-	10,000
CLA COVID Relief Funding	-	42,307
Gov't of Canada - Summer Student Grant	-	6,662
Gov't of Canada - CERS	-	6,321
Gov't of Canada - CEWS	-	56,685
Gov't of Sask - Training Grant	-	6,733
Heritage Emergency Funding	-	56,700
ISEP - Indigenous Sport Enhancement Grant	36,108	-
SSI - Next Gen	4,000	-
National Sport Organization	-	850
Sales & other income	<u>475</u>	<u>6,889</u>
	<u>\$ 839,039</u>	<u>\$ 324,066</u>

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SASKATCHEWAN LACROSSE ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2022
(with comparative figures for 2021)

	2022	2021
Administration		Schedule 3
Amortization	\$ 1,835	\$ 904
Audit	4,621	3,956
Bad debt	-	7,134
Insurance	8,077	8,973
Legal fees	1,832	119
Office operations	35,051	29,122
Staff salaries and benefits	106,776	107,491
Staff travel	3,226	-
	<u>\$ 161,418</u>	<u>\$ 157,699</u>
Capacity/Interaction		Schedule 4
Awards and recognition	\$ 3,288	\$ -
Communications	12,056	4,306
Marketing and promotions	11,912	38,464
Meetings		
Annual general meeting	-	20
Executive and other meetings	261	598
National meetings	12,162	-
Memberships and national dues	15,016	2,196
Staff and board development	3,334	9,109
	<u>\$ 58,029</u>	<u>\$ 54,693</u>
Participation		Schedule 5
Athlete development		
Club assistance	\$ 20,000	\$ 70,276
Competition	85,027	75,451
Introductory programs	27,636	13,967
Under-represented population initiatives	8,101	4,944
Coaches development	14,154	13,094
Officials development	4,215	801
	<u>\$ 159,133</u>	<u>\$ 178,533</u>

SASKATCHEWAN LACROSSE ASSOCIATION INC.
SCHEDULES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2022
(with comparative figures for 2021)

	2022	2021
Excellence		Schedule 6
Athlete development		
Athlete assistance	\$ 24,000	\$ -
Competition	258,720	-
Talent identification	61,841	-
Training	147,330	-
Coaches development	300	854
Officials development	658	520
	<u>\$ 492,849</u>	<u>\$ 1,374</u>
Membership Assistance Program		Schedule 7
Carnduff Lacrosse Association	\$ 3,574	\$ -
Churchbridge Lacrosse Association	1,273	-
Dakota Lacrosse Association	1,693	691
Estevan Lacrosse Association	2,194	3,484
Kelvington Lacrosse Association	656	925
Lumsden Lacrosse Association	514	165
Melfort Lacrosse Association	1,158	2,258
Moose Jaw Lacrosse Association	3,716	4,370
Prince Albert Lacrosse Association	6,328	8,384
Queen City Minor Box Lacrosse Association	6,938	11,827
Regina Men's Field Lacrosse Association	4,413	2,078
Saskatoon Box Lacrosse Association	11,896	14,640
Saskatoon Field Lacrosse Association	6,816	5,093
Sturgis (East Central) Lacrosse Association	2,633	1,844
Swift Current Lacrosse Association	2,920	4,819
Weyburn Lacrosse Association	3,688	2,314
Yorkton Lacrosse Association	2,391	2,718
	<u>\$ 62,801</u>	<u>\$ 65,610</u>
Categorical and other expenses		Schedule 8
Heritage Emergency Funding Expenses	\$ -	\$ 45,000
SSI - Next Gen grants	4,000	-
ISEP Indigenous Sport Enhancement Grant	36,108	-
Other fundraising expenses	39,541	528
Prior year adjustments	7,265	457
Team Sask 50/50 expenses	11,220	-
	<u>\$ 98,134</u>	<u>\$ 45,985</u>











2022 SK Lacrosse Assoc. FS

Final Audit Report

2023-01-31

Created:	2023-01-31
By:	Bridget Pottle (ed@sasklacrosse.net)
Status:	Signed
Transaction ID:	CBJCHBCAABAA0wJc8F_bFqQhzzdyHVTPj58DyDdrXFK

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-  Document created by Bridget Pottle (ed@sasklacrosse.net)
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-  Signer finance@sasklacrosse.net entered name at signing as Jody Schmeltzer
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-  Signer president@sasklacrosse.net entered name at signing as Sheena Hubelit
2023-01-31 - 10:38:10 PM GMT- IP address: 207.47.250.147
-  Document e-signed by Sheena Hubelit (president@sasklacrosse.net)
Signature Date: 2023-01-31 - 10:38:12 PM GMT - Time Source: server- IP address: 207.47.250.147
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